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Rewald taken into custody

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In just 10 days, investment counselor Ronald R. Rewald has gone from the pinnacle of business success to attempted suicide, the collapse of his multi-million dollar company, and last night into custody in the Honolulu Police Department cellblock.

Rewald was discharged from Queen's Medical Center into the custody of detectives from the White Collar Crime Unit. Police last night said that Rewald spoke with detectives earlier in the evening and then turned himself over to them at 10:30 p.m.

Looking pale and dejected, Rewald was wearing a blue T-shirt and shorts when he emerged from Queen's emergency entrance and stepped into a waiting police car.

Lt. Tony Granito, head of the White Collar Crime Unit, said Rewald was being held for questioning in a theft investigation. No charges were brought against him last night.

It was learned that Hugh F. Fraser, an investor in Rewald's firm, Bishop, Baldwing, Rewald, Dillingham and Wong, Inc., lodged a theft complaint against Rewald with the police yesterday.

Fraser last week was one of five investors who forced the company into involuntary bankruptcy proceedings when they petitioned federal bankruptcy court Judge Jon Chinen to take control of the firm.

The company is being investigated by a variety of federal, state and local agencies.

Earlier yesterday, the federal Securities and Exchange Commission joined the legal fray and filed a fraud

complaint in federal court against Rewald and his company.

But no new information surfaced yesterday on the two main questions surrounding the company and Rewald: Where did some \$17 million in investors' money go? What is the truth about Rewald's reputed connections to the CIA?

The SEC alleged in its complaint brought before U.S. District Judge Martin Pence that the company had committed fraud and that Rewald had made false reports to the SEC. On the basis of the SEC's complaint, Pence issued a temporary restraining order prohibiting Rewald, his family or his agents and representatives from disbursing any personal assets.

Corporate assets have been tied up since Thursday, when a group of investors successfully asked a federal bankruptcy court to take control of the company's affairs. On Friday, U.S. District Judge Harold Fong, acting for the bankruptcy court, issued a temporary order restraining Rewald and his wife from spending personal assets.

Fong's order was similar to the order issued yesterday by Pence at the request of the SEC. A full hearing on both orders is scheduled for Monday.

Attorney Michael Wilson, a member of the law firm representing Rewald, asked Pence in yesterday's hearing to allow his client to spend \$20,000 for attorneys' fees and additional unspecified amounts for Rewald's hospital fees and incidental expenses.

Pence turned the request down for the time being.

Rewald attempted suicide July 30.

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